

After realty, Ritesh looks at retail

FROM REALTY to retail. This reads the diversification tale of Ritesh Properties & Industries Ltd (RPIL). The Ludhiana-based company has firmed up plans and lined up investment for making foray into retail by launching its Femella brand. Femella in Latin means young woman. Femella plans to open first two stores in Delhi by November, 2007; first in Rajouri Garden and second in Lajpat Nagar. RPIL would open 100 stores by the end of calendar year 2008.

Disclosing this to Field Marshal, Sanjeev Arora, Managing Director, said that Femella would have merchandise for women in all sizes and for all ages. Ready-to-wear merchandise is being designed for the purpose by best designers in the industry.

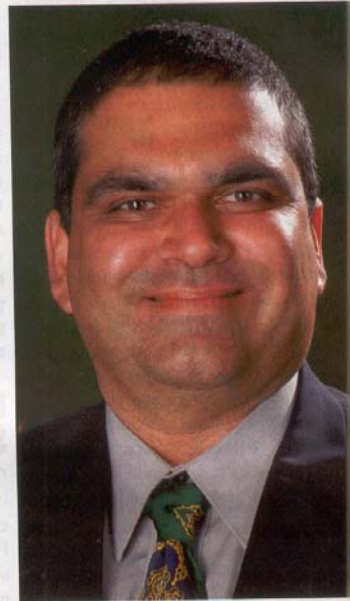
RPIL also plans to have another project in realty sector besides the one at Ludhiana. Planned in Amritsar, the second project of the size of Rs 1,000 crore, will consist of a hospital, business school, hotel and offer residential

and commercial accommodation. Arora disclosed that arrangements for FDI investment had already been made.

RPIL having diversified interest in real estate, retail and exports, has made a complete turn-around. It has posted a net profit after tax (PAT) of Rs 3.71 crore in Q1 of fiscal 2007-2008, against net loss of Rs 55 lakh during the corresponding period last year, registering an increase of 772 per cent.

Having made its foray into the real estate, RPIL notched up sales of Rs 20.15 crore against net sale of Rs 42 lakh, up 4745 per cent. The EPS works out to Rs.4.02, representing an increase of 590 per cent and the net worth has increased by 932 per cent.

Sanjeev Arora, Managing Director, told Field Marshal, "The surge in the net profit is against the backdrop of our real estate business, revenues from which have started flowing into the books. The real estate development will be the key segment for us in future".



MD Sanjeev Arora